

25th

ANNUAL REPORT
2018-19

SPECTRUM FOODS LIMITED
L-5, B-II, KRISHNA MARG, C-SCHEME, JAIPUR-302001

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CORPORATE INFORMATION**SPECTRUM FOODS LIMITED****(CIN: L15499RJ1994PLC008016)****Telephone No.: +91 141-4191000, 2379483****E-mail: salt@suryasalt.com****BOARD OF DIRECTORS**

Mr. Girdhar Gopal Saboo
Managing Director
DIN: 00364750

Mr. Sanjay Sarna
Director (Non-Executive Independent)
DIN: 07052586

Mr. Neeraj Kumar Agarwal
Director (Non-Executive Independent)
DIN: 05358002

Mr. Kunj Behari Sharma
Director (Non-Executive Independent)
DIN: 08207120

Mrs. Bindu Saboo
Additional Director
DIN: 08238638

Mr. Kailash Chand Sharma
Chief Financial Officer

Ms. Shweta Gupta
Company Secretary

Statutory Auditor

M/s P. K. S. & Co.
Chartered Accountants
9/843, Malviya Nagar,
Jaipur-302018(Raj.)

Corporate Advisors

M/s Naredi Vinod & Associates
Company Secretaries,
Plot No. 56, Rameshwar Dham,
Near Kedia Place, Murlipura,
Jaipur- 302013 Rajasthan

Registered Office

L-5, B-II, Krishna Marg,
C-Scheme, Jaipur-302001
(Rajasthan)

Factory Address

Badi Dhani, Bap,
Tehsil Phalodi, Jodhpur
(Rajasthan)

Bankers

State Bank of India
HDFC Bank Limited

Registrar & Share Transfer Agent

Beetal Financial & Computer Services Pvt. Ltd.
Beetal House, 3rd Floor, 99, Madangir,
Behind Local Shopping Centre
Near Dada Harsukhdas Mandir, New Delhi-62
Tel: 011 2996 1281/82
Fax: 011 2996 1284

Important Communication to Members

The Ministry of Corporate Affairs has taken a "Green initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this Green initiative of the Government in full measure, members who have not registered their e-mail addresses so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants, Members who hold shares in Physical form are requested to register their e-mail addresses with the Company.

NOTICE OF 25th ANNUAL GENERAL MEETING

Notice is hereby given that the 25th Annual General Meeting of the members of Spectrum Foods Limited will be held on Monday, 30th September, 2019 at 3.00 P.M. at L-5, B - II, Krishna Marg, C-Scheme, Jaipur-302001, Rajasthan, to transact the following businesses:

ORDINARY BUSINESS:

1. **To receive, consider and adopt the Audited Financial Statements of the Company as on 31st March, 2019 including any explanatory note annexed there to, or forming part of the aforementioned documents, together with the Reports of the Board of Directors and Auditors thereon.**
2. **To re-appoint M/s P. K. S. & Co., Chartered Accountants, the retiring auditors of the Company and to fix their remuneration and in this regard to consider and if thought fit to pass with or without modification(s), the following Resolution as an Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 139(2), 142(1) and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder as amended from time to time, M/s P. K. S. & Co., Chartered Accountants (Firm Registration No. 007007C), 9/843, Malviya Nagar, Jaipur-302018 (Raj.), who were appointed in the Extra Ordinary General Meeting dated 14th March, 2019 to hold office till the conclusion of 25th Annual general meeting of the company to be held in the calendar year 2019, be and is hereby appointed as Statutory Auditors of the Company, who shall hold office from the conclusion of this Annual General Meeting till the conclusion of 30th Annual General Meeting of the Company to be held in the year 2024 on a remuneration as may be fixed by the board of directors of the company in consultation with them."

SPECIAL BUSINESS:

3. **To appoint Mr. Rakesh Godha (DIN: 08540738) as a Whole-time Director of the company:**

To consider and if thought fit to pass with or without modification (s) the following resolution as an **Ordinary resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule V thereof and with the recommendations of Nomination & Remuneration Committee and Board of Directors, the consent of Members of the Company be and is hereby accorded to appoint Mr. Rakesh Godha (DIN: 08540738) who was appointed as an Additional Director under Section 161 of the Companies Act, 2013 with effect from 12th August, 2019 by the Board of Directors and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director of the Company, be and is hereby appointed as the Whole-time Director of the Company for a period of two years with effect from 30th September, 2019 on such terms and conditions as mentioned below, including the remuneration payable to him as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company and as set out in the explanatory statement which forms part of this resolution."

The terms and conditions of appointment are as follows:

- I. **Period of Appointment:** The appointment is for a period of 2 years with effect from 30th September, 2019.
- II. **Remuneration:**
 - a. Salary: Basic pay shall be Rs. 3,24,000/- per annum.
- III. **Perquisites & Allowances:** NIL
- IV. **Commission:** NIL
- V. **Annual Bonus:** In addition to the salary, perquisites and allowances and commission payable, the Whole-Time Director is also entitled to an annual Bonus as may be approved by the Nomination and Remuneration committee and Board of directors of the company based on the performance and the net profits after tax of the Company, subject to the overall ceilings stipulated in Sections 196, 197 and 203 of the Companies Act, 2013

VI. Other Terms & Conditions:

- i. For the purposes of calculating the above ceiling, perquisites and allowances shall be evaluated as per Income Tax Rules, wherever applicable; in the absence of any such Rules, perquisites and allowances shall be evaluated at actual cost or hire charges.
- ii. Expenses incurred for travelling, boarding and lodging including attendants during business trips and provision for use of the Company's car for official duties and telephone at residence (including payment for local calls and long distance official calls) shall not be included in the computation of perquisites for the purpose of calculating the said ceiling.
- iii. Company's contribution to Provident Fund and Superannuation or Annuity Fund, to the extent these either singly or together are not taxable under the Income Tax Act, gratuity payable as per the rules of the Company and encashment of leave as per the rules of the Company and to the extent not taxable under Income Tax law, shall not be included for the purpose of computations of overall ceiling of Remuneration.
- iv. The terms and conditions of the said appointment may be altered and varied from time to time by the Board as it may, in its discretion, deem fit, within the maximum amount payable to the Whole-Time Director in accordance with Schedule V to the Act or any amendments thereto made hereinafter in this regard, as may be agreed by the Board and Mr. Rakesh Godha.
- v. The Whole-Time Director shall not be entitled to supplement his income with any buying or selling commissions. He shall not become interested or otherwise concerned directly or through his spouse and/or minor children, if any, in any selling agency of the Company, without the prior approval of the Central Government.

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, appropriate and desirable to give effect to this resolution and to authorize any Director or any officer of the Company for obtaining necessary permissions and approvals, if any, in this connection from Government and / or any authorities."

4. To Appoint Mrs. Bindu Saboo as a Non-Executive Non-Independent Woman Director of the Company

To consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mrs. Bindu Saboo (DIN: 08238638), who was appointed as an Additional Director of the Company by the Board of Directors on its meeting held on 26th September, 2018 as per Section 161(1) of the Companies Act, 2013 and who holds office only till the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, be and is hereby appointed as Non-Executive Non-Independent Woman Director of the Company, whose office is liable to retire by rotation."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, appropriate and desirable to give effect to this resolution and to authorize any Director or any officer of the Company for obtaining necessary permissions and approvals, if any, in this connection from Government and / or any authorities."

5. To enter into Related Party Transactions

To consider and if thought fit to pass with or without modification (s) the following resolution as an **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 and other applicable provisions read with the Companies (Meetings of Board and its Powers) Second Amendment Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2005 and as per the recommendation of Audit Committee and Board, the consent of the members of the company be and is hereby accorded to enter into the related party transactions by the company with the respective related parties and for the maximum amounts per annum as mentioned herein below:

S No.	Nature of transaction as per Section 188	Name of the Director/KMP who is related and nature of their relationship	Name of the related parties	Amount
1.	Purchase/Sale of goods or material	1. Mr. Girdhar Gopal Saboo (MD and promoter of Saboo Sodium Chloro Ltd.) 2. Mrs. Bindu Saboo (Additional Director)	Saboo Sodium Chloro Limited	10.00 Cr.
2.	Payment of rent for leasing office premises to the company	1. Mr. Girdhar Gopal Saboo (MD)	Mr. Girdhar Gopal Saboo	15.00 Lacs

“RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in the said regard.”

6. To make Investments, give loans, guarantees and provide securities under section 186 of the companies Act, 2013:-

To consider and if thought fit, to pass, with or without modifications, the following resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of section 186 and all other applicable provisions, if any, of the Companies Act, 2013 and Companies (Meeting of Board and its Powers) Rules, 2014, (including any Statutory modification or re-enactment thereof, for the time being in force), the consent of the members of the company be and is hereby accorded to the Board of Directors of the company and/or Committee thereof (hereinafter referred to as “the Board”) which term shall include any committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this resolution to make loans or investments, in one or more tranches by subscription, purchase or otherwise in any person / body Corporate in India or abroad (existing or which may be promoted/ incorporated), in any kind of securities, or by providing of guarantee or security in connection with a loan made by any other person to any person / Body corporate in India or abroad (existing or which may be promoted or incorporated) in excess of limit prescribed in section 186 of Companies Act, 2013 but subject to a maximum limit of Rs. 50 Crore (Rupees Fifty Crore Only).”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary to give effect to the above resolution”

Date: 05.09.2019
Place: Jaipur

BY ORDER OF THE BOARD
Sd/-
(Sanjay Sarna)
Director

NOTES:

A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY AND VOTE ON POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

1. The register of Members and Share Transfer Books of the Company will remain closed from 24th September, 2018 to 30th September, 2019 (both days inclusive).
2. Non-Resident Indian Shareholders are requested to inform M/s Beetal Financial & Computer Services (P) Ltd., the Registrar and Share Transfer Agent of the Company immediately about:
 - (a) The change in the Residential status on return to India for permanent settlement.
 - (b) The particulars of the Bank Account maintained in India with complete name, branch, account type, account number and address of the Bank, if not furnished earlier.
3. Members requiring information on the accounts are requested to write to the Company at least 7 (Seven) days before the date of the meeting to enable the Company to furnish the information.
4. Members are requested to:
 - I) Intimate change in their Registered Addresses, if any, in respect of Equity Shares held in electronic form (Dematerialized form) to their Depository Participant(s).
 - II) Intimate the Registrar & Share Transfer Agent about any change in their Registered Addresses in respect of equity shares held in physical form.
 - III) Quote the registered folio number / DP-ID and CL-ID in all future correspondence.
 - IV) To address their grievances, if any, to the Company Secretary at the Registered Office of the Company.
5. Members are requested to bring their copies of Annual Report at the meeting.
6. Members and Proxies attending the meeting should bring the attendance slip duly filled in for attending the meeting.
7. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of the Special Business mentioned in the Notice is annexed hereto.
8. Members are informed that in case of Joint holders attending the meeting, only the joint holder higher in the order of the names will be entitled to vote.
9. Corporate members are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
10. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 25th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

The instructions for shareholders voting electronically are as under:

1. The voting period begins on 27th September, 2019 at 10 A.M. and ends on 29th September, 2019 at 5 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) i.e. 23rd September, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
2. The shareholders should log on to the e-voting website www.evotingindia.com.
3. Click on Shareholders.
4. Now Enter your User ID
 - a). For CDSL: 16 digits beneficiary ID,
 - b). For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c). Members holding shares in Physical Form should enter Folio Number registered with the Company.
5. Next enter the Image Verification as displayed and Click on Login.
6. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
If you are a first time user follow the steps given below:
 - A. For Members holding shares in Demat Form and Physical Form: Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
 - Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.

- In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
 - Dividend Bank Details OR Date of Birth (DOB): Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.
 - If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (4).
 - After entering these details appropriately, click on "SUBMIT" tab.
7. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is also to be used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 8. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
 9. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
 10. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
 11. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
 12. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
 13. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
 14. If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 15. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
 16. Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 17. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
 18. The voting period begins on September 27, 2019 at 10:00 A.M. and ends on September 29, 2019 at 5:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 23, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 19. The Company has appointed Mr. Vinod Naredi, Company Secretary in whole time practice as Scrutinizer, for conducting the process in a fair and transparent manner.
 20. Voting rights will be reckoned on the paid-up value of the shares registered in the name(s) of the public shareholder(s) on the cut-off date i.e. September 23, 2019.
 21. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment

- of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
22. The Scrutinizer will submit his report addressed to the Board of Directors of the Company to Mr. Sanjay Sarna, the Chairman appointed by the Company in this regard or to any other person duly authorized on his behalf by the Chairman, after completion of scrutiny of e-voting in a fair and transparent manner. The results of the same will be announced by the Chairman appointed by the Company in this regard or by the Person authorized on his behalf by the Chairman on the date of AGM September 30, 2019 at 3:00 P.M. at the Registered Office of the Company and communicate to the Stock Exchanges where the shares of the Company are listed.
 23. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (10.00 am to 5.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.
 24. As per the provision of Listing Regulations, particulars of Directors to be appointed/re- appointed at the 25th Annual General Meeting are given separately in the notice.
 25. Notice of Annual General Meeting will be sent to those shareholders /beneficial owners, whose name will appear in the register of members/list of beneficiaries received from the depositories as on 30th day of August, 2019.
 26. The investors may contact the Company Secretary for redressal of their grievances/queries. For this purpose, they may either write to her at the Registered office address or e-mail their grievances/queries to the Company Secretary at Company's e-mail address i.e. account@suryasalt.com
 27. Queries on account and operations may be sent to the Company, 7 days in advance of the Annual General Meeting so that the answers may be made available at the meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following Explanatory Statement sets out all the material facts relating to the Special Business mentioned in the accompanying Notice:

Item No. 3:

The Board of Directors of the Company (the “Board”), at its meeting held on 12th August, 2019 on the recommendations of Nomination and Remuneration Committee and subject to the approval of members, appointed Mr. Rakesh Godha (DIN: 08540738) as Whole Time Director of the Company, for a period of 2 years with effect from 30.09.2019 at the remuneration recommended by the Nomination and Remuneration Committee (the “NR Committee”) of the Board.

Members are requested to note that as Additional Director, Mr. Rakesh Godha holds office upto the date of this Annual General Meeting. The Company has received a notice in writing from the member under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director of the Company.

The Board considers that his association would be of immense benefit to the Company and it is desirable to avail services of Mr. Rakesh Godha as Whole-Time Director. Accordingly the Board recommends the resolution in relation to appointment of Mr. Rakesh Godha as Whole Time Director, for the approval by the shareholders of the Company.

Profile:

Mr. Rakesh Godha is a bachelor of Commerce. He has more than 30 years’ experience in Finance Service Domain.

The Board of Directors of the Company at its meeting held on 12th August, 2019, on the recommendations of Nomination and Remuneration Committee and subject to the approval of the members in the General Meeting, accorded their approval for appointment of Mr. Rakesh Godha as Director of the Company w.e.f. 12th August, 2019 on remuneration payable to him and other terms and conditions as set out in Item No. 3 of the notice of Annual General Meeting.

Brief Resume of Mr. Rakesh Godha in terms of Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on the General Meetings:

BRIEF PROFILE	
Age	51
Qualifications	Bachelor of Commerce
Experience	Over 30 years of experience in Finance service domain
Terms and Conditions of Appointment	As per resolution
Details of Remuneration	3,24,000/- per annum
Date of First Appointment	12 th August, 2019
Shareholding in the Company	NIL
Relationship with other Director/Manager/KMP	NA
Number of meetings attended form the date of his appointment till the date of notice of this AGM	2
Directorships of other Board	Nil
Membership/Chairmanship of Committees of other Board	Nil

The resolution seeks the approval of members for the appointment of Mr. Rakesh Godha as a Whole Time Director of the Company pursuant to applicable provisions of the Companies Act, 2013 and the Rules made thereunder and pursuant to SEBI (Listing Obligation & Disclosure Requirements), Regulation 2015. He is liable to retire by rotation.

The Board recommends the Ordinary resolution set forth for this matter for the approval of the members.

Except Mr. Rakesh Godha, being the appointee, none of the Directors of the Company is concerned or interested in the said resolution except to the extent of their shareholding in the company.

Item No. 4:

Mrs. Bindu Saboo (DIN: 08238638), who was appointed as an Additional Director in the meeting of Board of Directors of the Company held on 26th September, 2018, who holds office till the date of this AGM, is proposed to be appointed as Non-Executive Non-Independent Woman Director of the Company for a period of 5 years with effect from 30th September, 2019.